Department of State

TELEGRAM

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ACTION E-15

INFO OCT-01 AF-12 EUR-20 NEA-13 INT-06 CIAE-00 DODE-00
PM-05 H-02 INR-07 L-03 NSAE-00 NSC-10 P-03 RSC-01
PRS-01 SS-20 USIA-12 COM-08 TRSY-11 CEA-02 AID-28
RSR-01 /181 W

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY CJ 057428 DATE 8/7/61
RDS ☐ or XDS ☐ EXT. DATE
TS AUTH. REASON(S)
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED ☑ RELEASABL ☑
RELEASE DENIED ☐
PA or FOI EXEMPTIONS

R 140809Z JAN 70
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC 5781
INFO AMEMBASSY ALGIERS
AMEMBASSY BEIRUT
AMEMBASSY BENGHAZI
AMEMBASSY LONDON
AMEMBASSY PARIS

C O N F I D E N T I A L TRIPOLI 0090

SUBJECT : ALLEGED FRENCH OIL INITIATIVES IN LIBYA

REFERENCE: STATE 213962

1. DURING DISCUSSION LARG OIL POLICY JANUARY 12, MINISTRY PETROLEUM U/S IISA WABLAAWI FIRMLY DENIED TO EMBOFFS FRENCH ACTIVELY ARE SEEKING NEW ROLE IN LIBYAN OIL INDUSTRY. QABLAAWI NOTED ADVANTAGEOUS OFFERS FOR NEW EXPLORATION AREAS WOULD BE WELCOMED FROM ANY UNPREJUDICED QUARTER, BUT ONLY AFTER CONCLUSION OF NEGOTIATIONS FOR HIGHER POSTED PRICES HAD DETERMINED COURSE OF RELATIONS WITH PRESENT CONCESSIONAIRES. IF, IN LARG'S VIEW, NEGOTIATIONS UNSUCCESSFUL, LIBYA WOULD REORIENT ITS OIL POLICY TO RESTRICT PRESENT CONCESSIONAIRES AND TO DEVELOP NEW AREAS IN COLLABORATION WITH ALGERIA, IN PARTICULAR, ALTHOUGH HE AGREED FRENCH AND OTHERS MIGHT ALSO FIND OPPORTUNITIES IN THAT EVENT. HE DID NOT RPT NOT DIRECTLY COMMENT ON POSSIBILITY OF BARTER/PURCHASE CRUDE OIL DEAL, BUT IMPLIED THIS TOO WAS NOT UNDER CONSIDERATION BY NOTING OIL NOT RPT NOT INVOLVED IN CURRENT ARMS PURCHASE CONTACTS WITH FRENCH.

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2. OIL COMPANIES AWARE OF FRENCH PRESS SPECULATION ON LIBYAN OIL DEAL AND ARE CONCERNED OVER THIS POSSIBILITY, AS SOME HAVE BEEN SINCE FRENCH PUSH IN ARAB WORLD NETTED ERAP JOINT VENTURE IN LIBYA IN 1968, BUT THEY HAVE NO INDICATIONS SUCH DEAL DEVELOPING. GP-4.
PALMER

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